EXHIBIT 1	
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Senate Bill 92

Chairman Regier, members of the committee, my name is Chris Yde, - YDE – and I am the supervisor for the Coal and Uranium Program within the Department of Environmental Quality.

This legislation is proposed by the Department of Environmental Quality to provide general cleanup of the Montana Strip and Underground Mine Reclamation Act (Act). During the past year we have sent the proposed changes to our stakeholders and met with representatives of the Northern Plains Resource Council and the Montana Coal Council to discuss the proposed changes. No problems with the changes were identified during this outreach.

The proposed changes fall into one of five categories:

The first category is Facilitation of Electronic permitting. Our goals with these changes are to create reduction in the amount of paper submitted to the Coal and Uranium Program, increase the availability of the documents, and remove obstructions to e-permitting. The first change would eliminate the need to submit multiple copies of an application. With our electronic document management system we can view multiple copies of the materials at the same time, thus, eliminating the need for submittal of multiple copies. The second change would allow placement of an electronic copy at a public office other than the county clerk and recorder. As the county clerk and recorders do not maintain a computer for public use, it is more appropriate to use another public facility, such as a public library. The third change would eliminate the need to publish public notices in a daily newspaper. The majority of the newspapers in eastern Montana, where coal mining is occurring, publish weekly. This will allow the public notices to be published in the vicinity of the proposed action. The final change under this category would remove the need for certification and notarization of every map within a submittal. The application form contains a general certification statement that must be notarized. Thus this requirement is duplicative and unnecessary.

The second category is a change to the Applicant Violator System requirements. The Applicant Violator System is a national database maintained by the Office of Surface Mining to help prevent bad actors in one state from obtaining a coal mining permit in another state. Following the adoption of new rules by the Office of Surface Mining, the states were required to update their rules accordingly. Montana was able to provide the majority of the updates during a rule update in 2012. However, the final rule changes cannot be made without first amending the Act to provide the right to appeal. This proposed change would provide the necessary foundation for the required rule changes.

The third category relates to the prospecting permit language that was revised by SB 286 during the 2011 legislative session. Several prospecting short-form permit applications have been received since approval of SB 286. Applicants have indicated that some of the language within the revised prospecting provisions provided by SB 286 is confusing. The proposed revisions were developed to add clarity to this section of the Act.

The fourth change would ensure that water supplies are protected from both surface and underground mining. Current language in the Act specifies that water supplies must be replaced

if impacted by surface mining and implies that they would be replaced if impacted by underground mining. The proposed revision would ensure that water supplies would be protected from both surface and underground mining.

Finally, the proposed legislation was amended during deliberations in the Senate to include an amendment proposed by DEQ, based on stakeholder input, to address changes to the annual report requirements. The proposed legislation was further amended to include an assurance that all public notices would be published in Montana.

We recommend a do pass for this legislation.

Thank you for your time and I am available if you have any questions. I would also like to present the secretary with a copy of my testimony.